Loan disbursement by Banks in Orissa

2619. SHRI SURENDRA LATH:
MS. PRAMILA BOHIDAR:

Will the Minister of FINANCE be pleased to state:

(a) what is the total loan disbursement to different sectors by the commercial banks in Orissa;

(b) whether it is a fact that the amount of credit given by commercial banks of Orissa is much less than their deposits; and

(c) if so, what steps Government are taking to increase the credit flow in different sectors in Orissa?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) The details of the loans disbursed to different sectors by the Scheduled Commercial Banks in Orissa as on 31st March 2004 and 2005, as reported by the Reserve Bank of India (RBI) are as under:

(Rs. in crores)

	2003-04		2004-05	
Sectors	Targets	Achievements	Targets	Achievements
Agriculture and Allied activities	1394.12	1347.30	1829.83	1814.99
SSI	289.89	273.04	358.55	252.20
Other Priority Sector	1042.10	2950.70	1585.40	2728.01
TOTAL:	2726.11	4571.04	3773.78	4795.20

(b) The details of the aggregate credit and deposits of all Scheduled Commercial Banks in Orissa during the years 2003-04, 2004-05 and 2005-06 are as under:

(Rs. in crores)

Year ended	Deposits	Credit	CD Ratio (%)
2003-04	22753	12345	54.25
2004-05	26677	16591	62.19
2005-06	32220	21011	65.21

It may be seen from the above details that the Credit Deposit Ratio of Banks in Orissa during the years 2004-05 and 2005-06 is more than the stipulated norm of 60 percent.

(c) The credit flow in any State depends upon various factors, including (i) availability of adequate infrastructure facilities, (ii) development of core sector projects, large and medium industries, entrepreneurial initiatives, (iii) credit absorption capacity of the State, (iv) conducive atmosphere for investment and (v) satisfactory recovery position of Banks' dues.

RBI has advised the Convenor Banks of State Level Bankers Committee (SLBC) to identify measures for enhancing the CDR. It is now being regularly monitored in the SLBC Meetings. RBI have also advised the Banks to set up Special Sub-Committees (SSCs) of the DLCCs in Districts having CDR of less than 40, in order to monitor the CDR and draw up Monitorable Action Plans (MAPs) to increase the CDR.

Rationalization of duty structure in Gujarat

2620. SHRI JAYANTILAL BAROT:
SHRI SURYAKANTBHAI ACHARYA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that excise duty fixed with the Maximum Retail Price (MRP) has affected the small scale industries in Gujarat;

(b) whether State Government of Gujarat has asked for rationalization of rates of duty structure;

(c) if so, Central Government's reaction in this regard; and

(d) the steps taken/proposed to be taken to protect the small scale industry of Gujarat which is adversely affected by this duty structure?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Chief Minister of Gujarat had requested the Government to:

(i) increase level of abatement from retail price on drugs and medicines from 40% to 50% for levy of excise duty; and

(ii) reduce excise duty on drugs from 16% to 8%.

(c) Taking into consideration all relevant factors, it has been decided not to make any changes either in the rate of excise duty or in the level of abatement from retail price on drugs.